

Minutes of WELCA Board of Directors meeting on Friday May 07, 2021

Attendees: Mike Pelant, Chris Grebe, Dave Zuege, Jackie Rozga, WEL GM Justin Behling and James McGrath SR

1. President Mike Pelant **called meeting to order @ 1005**
2. **Notice** complied with bylaws.
3. Jackie Rozga made a motion **to approve** the board minutes of April 08, 2021 and it was seconded by Dave Zuege. Motion passed unanimously.
4. **No Report of officers.**
5. **No Architectural review committee** report.
6. **Unfinished business:**
 - a. Board continued discussion on leasing of the "Blue Heron Resturant" building to a possible lessee. This discussion began by Mike Pelant introducing Dean Vossekul, who is interested possibly run a resturant in the Blue Heron Resturant building. He stated that he was on the property recently and said the facility was very nice and that he was working with a chef to come into his proposed resturant on our property. That he would start the resturant up slowly but working towards a supper club type resturant Board members then asked Dean Vossekul some questions and then Mike thanked Dean for his time and Dean left the teleconference. The board then spent a large amount of time discussing this possible lessee's proposal. James McGrath SR made a motion to receive a bid to separate gas/electricity utility for the Blue Heron resturant building into it's own meters and it was seconded by Jackie Rozga. Motion passed unanimously. This motion will make it that a lessee will pay their own utility bills, not WELCA. Upon completion of this lengthy discussion Mike Pelant made a motion to approve Dean Vossekul Group into a partnership with WELCA thru terms to be negotiated between parties as soon as possible to provide a onsite resturant in the Blue Heron Resturant building and this motion was seconded by Dave Zuege. Motion passed unanimously. Mike Pelant will lead the negotiation with assistance from GM Justin Behling.
7. **No New business:**
8. **Motion to adjourn** made by Chris Grebe and seconded by Dave Zuege. Motion passed 4-0 @ 1149.
9. **Additionally information.**
 - a. James McGrath SR had to leave the meeting prior to adjournment because of a

family emergency.

b. Per Email all board members approved the negotiated lease agreement between Dean Vossekui Group and WELCA. This lease was then signed by both parties.

c. Attached is the lease draft.

Respectfully submitted
James McGrath SR, Secretary

COMMERCIAL LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is effective as of _____, 2021, by and between **WILD EAGLE LODGE CONDOMINIUM ASSOCIATION, INC.**, a Wisconsin Non-Stock corporation ("Landlord") and **DEAN VOSSEKUIL, D/B/A _____** an adult resident of the State of Wisconsin ("Tenant").

ARTICLE 1 - BASIC TERMS AND DEFINITIONS

1.1 **Premises:** That portion of Unit ____ of the Wild Eagle Lodge Condominiums consisting of the restaurant facility formerly named The Blue Heron located at the Wild Eagle Lodge Condominiums (the "Development") and the improvements located thereon, together with easements and other appurtenances which benefit the Premises.

1.2 **Term:** The term of the Lease is the period commencing on the Commencement Date and ending on the last day of the twelfth month thereafter, unless otherwise terminated as provided in this Lease (the "Initial Term"). Thereafter, this Lease shall automatically renew on a monthly basis. The Initial Term and all renewal terms shall be collectively referred to herein as the "Term." Either party may terminate this Lease as more particularly set forth herein and upon thirty (30) days advance written notice after the Initial Term.

1.3 **Commencement Date:** As set forth in Section 3.1 hereof.

1.4 **Rent:** All sums, monies or payments required to be paid by Tenant to Landlord pursuant to this Lease, consisting of Base Rent and Additional Rent.

1.5 **Base Rent:** The Base Rent for the Initial Term is One and no/Dollars (\$1.00) per month payable in one annual payment on or before the Commencement Date. Thereafter Base Rent shall be paid monthly to Landlord on or before the first day of each month.

1.6 **Additional Rent:** All Rent other than Base Rent.

1.7 **Permitted Uses:** The Premises shall be used for those purposes set forth in this Section 1.7 only. Landlord shall immediately be permitted to terminate this Lease upon written notice to Tenant if Landlord, in Landlord's sole discretion, determines that Tenant is engaging in activities at the Premises which are not permitted activities identified in Section 1.7. The Premises shall be utilized by Tenant for the sole purpose of operating a restaurant and bar facility for residents and guests of the Development and for weddings and other booked events approved in advance by the Landlord from time to time.

1.8 **Address of Landlord:** Wild Eagle Lodge Condominium Association Inc.
ATTN: _____

or such other address as may from time to time be designated by Landlord in writing.

1.9 **Address of Tenant:** Dean Vossekuil

or such other address as may from time to time be designated by Tenant in writing.

ARTICLE 2 - GRANT AND TERM

2.1 Grant: In consideration of the rents, covenants, agreements and conditions hereinafter provided to be paid, kept, performed and observed, Landlord leases to Tenant and Tenant hereby leases from Landlord the Premises described in Section 1.1.

2.2 Term: Tenant shall have and hold the Premises for and during the Term described in Section 1.2 and subject to the payment of the Rent and to the full and timely performance by Tenant of the covenants and conditions hereinafter set forth.

2.3 Acceptance of Premises - AS-IS: Tenant acknowledges that neither Landlord nor any agent, contractor or employee of Landlord has made any representation or warranty of any kind with respect to the condition of the Premises or any of its contents, fixtures, equipment, personal property contained therein, or systems, specifically including, but not limited to, any representation or warranty of suitability or fitness of the Premises or its contents or systems for any particular purpose. Tenant's occupancy of the Premises establishes Tenant's acceptance of the Premises, and everything therein in an "**AS IS - WHERE IS**" condition. Tenant has had the opportunity to inspect the Premises and everything therein and is aware of the condition of all such items.

2.4 Landlord Build Out: Landlord, at such time as reasonably convenient for Landlord, shall provide and install lockable doors to the kitchen and alcohol storage area provided, however, that Landlord shall have access to such area at all reasonable times upon reasonable notice.

2.5 Weddings and Other Booked Events: Tenant acknowledges and assumes all obligations with respect to the Premises for two (2) weddings booked at the Development, on August 21, 2021 and on October 9, 2021, and that such obligations include without limitation providing outside caterers unlimited access to the restaurant equipment and facilities to enable such third party caterers to provide services to the wedding parties. In addition, Tenant shall honor all other booked or scheduled events in the hospitality room which are reserved as of the Commencement Date.

2.6 Point of Sale Lease and Other Personal Property Leases: Tenant shall assume all obligations for existing leases of all equipment and systems. Any money in any video or gambling machines shall be removed and paid to Landlord prior to the Commencement Date.

ARTICLE 3 - COMMENCEMENT DATE

3.1 Commencement Date: The Commencement Date shall be _____, 2021.

ARTICLE 4 - RENT

4.1 Base Rent: Except as otherwise provided in this Lease, Tenant covenants to pay without notice, deduction, setoff or abatement to Landlord the Base Rent specified in Section 1.5 in lawful money of the United States. Payment of Base Rent shall commence on the Commencement Date.

4.2 Lease Year: The term "Lease Year" shall mean a twelve (12) month period commencing on the Commencement Date and each subsequent twelve (12) month period thereafter.

4.3 Additional Rent: Tenant shall pay as Additional Rent, without deduction, setoff or abatement, any other sum of money required to be paid to Landlord under the terms of this Lease. Any Additional Rent payable by Tenant under this Lease, for which no other terms for payment is set forth specifically in this Lease, shall be due and payable ten (10) days after billing by Landlord.

4.4 Payment: Rent shall be payable to Landlord at Landlord's address shown at Section 1.8 above or such

other place as Landlord may designate from time to time in writing.

ARTICLE 5 - TAXES

5.1 **"Taxes" Defined:** "Taxes" shall mean: (A) all ad valorem real estate taxes, assessments, levies, impositions or charges on the Premises (adjusted after protest or litigation, if any) for any part of the Term, exclusive of penalties not caused by Tenant's default hereunder, (B) any taxes which shall be levied in lieu of any such ad valorem real estate taxes, (C) any special assessments for benefits on or to the Premises levied after the Commencement Date, (D) occupational taxes or excise taxes levied on rentals derived from the operation of the Premises or the privilege of leasing property, and (E) the expense of protesting, negotiating or contesting the amount or validity of any such taxes, charges or assessments, such expense to be allocable to the period of the item contested, protested or negotiated only if there is a reduction.

5.2 **Payment of Taxes:** Beginning on the Commencement Date, Tenant shall pay to the Landlord the amount of all Taxes for the Premises payable as part of the Term or any Renewal Period. In addition, Tenant shall pay, as Additional Rent, any increase in ad valorem real estate taxes during the Term.

ARTICLE 6 - PERMITTED USE

6.1 **Permitted Use and Trade Name:** Tenant shall not use or permit the use of the Premises in any manner not permitted by applicable zoning laws or that will tend to create waste or a nuisance, or using regulated substances in greater quantity than that used in the ordinary course of performing the permitted uses authorized pursuant to Section 1.10 above.

ARTICLE 7 - LAWS AND ORDINANCES AND LANDLORD RULES

7.1 **Compliance with Laws and Ordinances:** Tenant covenants throughout the Term, at Tenant's sole cost and expense, promptly to comply with all laws and ordinances and the orders, rules and regulations and requirements of all federal, state and municipal governments and appropriate departments, commissions, boards, and officers thereof, and the orders, rules and regulations of the Board of Fire Underwriters where the Premises are situated, or any other body now or hereafter constituted exercising similar functions, foreseen or unforeseen, ordinary as well as extraordinary, and whether or not the same require structural repairs or alterations (except as expressly provided below), which may be applicable to the Premises, or the use or manner of use of the Premises. Tenant will observe and comply with the requirements of all policies of public liability, fire and all other policies of insurance at any time in force with respect to the buildings and improvements on the Premises and the equipment thereof.

7.2 **Licenses and Permits:** Tenant shall obtain and maintain current all necessary licenses or permits to conduct or operate its business in and upon the Premises which are required by any applicable governmental body or agency having jurisdiction over the Premises and shall pay the fee or charge imposed for issuance of such license or permit, and shall provide copies of all such licenses and proof of payment as contemplated herein to Landlord promptly upon request.

7.3 **Landlord Rules:** Tenant shall comply at all times with all rules relating to the Premises and Tenant's operation thereof as reasonably required by the Landlord, a copy of which are attached hereto at Exhibit A, incorporated herein by reference. Landlord reserves the right to add, delete or modify any rules in Landlord's reasonable discretion by providing Tenant not less than ten (10) days advance written notice regarding such.

ARTICLE 8 - UTILITIES AND SERVICES

8.1 Utilities: Tenant shall contract in its own name and timely pay for all charges for electricity, gas, water, fuel, sewer charges, telephone, internet, trash hauling, and any other services or utilities used in, servicing or assessed against the Premises, unless otherwise herein expressly provided, and to indemnify, defend and save Landlord harmless against any liability or damages on such account. Notwithstanding the above, Landlord shall pay for all electricity and gas utilities until such time as Landlord installs separate meters for each such utility serving the Premises, at which time Tenant shall comply with the provisions of this Section 8.1 relating to the gas and electric utilities.

ARTICLE 9 - QUIET ENJOYMENT

9.1 Landlord's Covenant: Landlord covenants that Tenant, on paying the Rents herein provided and keeping, performing and observing the covenants, agreements and conditions herein provided of Tenant, shall peaceably and quietly hold and enjoy the Premises for the term aforesaid, subject, however, to the terms of this Lease.

ARTICLE 10 - ASSIGNMENT AND SUBLETTING

10.1 Assignment or other Transfer: Tenant may not assign this Lease, sublet the Premises, or otherwise transfer its interest in the Premises without the prior written consent of Landlord in Landlord's sole and absolute discretion. Notwithstanding any permitted assignment, subletting or other transfer, Tenant shall remain fully liable on this Lease and shall not be released from performing any of the terms, covenants and conditions hereof.

ARTICLE 11 - DAMAGE OR DESTRUCTION

11.1 Landlord's Right of Termination: If the Premises or any part thereof is so damaged by fire or other casualty, cause or condition whatsoever (collectively, an "Occurrence") and the cost of repairing or reconstructing the Buildings or Parking Area shall exceed ten thousand dollars (\$10,000), Landlord shall have the option to terminate this Lease upon written notice to Tenant within sixty (60) days after the Occurrence, whereupon this Lease shall cease and terminate as of the last date on which Tenant is open for business from the Premises, not earlier than the date of the Occurrence and not later than sixty (60) days after the date of the Occurrence.

11.2 Restoration: If this Lease is not terminated as above provided and if the Premises are made partially or wholly untenantable as aforesaid, Landlord shall restore the same with reasonable promptness to the condition in which they were in immediately prior to the Occurrence. Landlord shall be under no obligation to restore any alterations, improvements or additions to the Premises made by Tenant or paid for by Tenant, including, but not limited to, any subsequent changes, alterations or additions made by Tenant, which restoration shall be performed by Tenant; provided, however that to the extent the insurance covering the Premises also cover such subsequent changes, alterations or additions made by Tenant, the insurance proceeds shall be made available to Tenant for the purpose of Tenant effecting such restoration. In any event, Tenant shall be responsible for the removal, or restoration, when applicable, of all its damaged property and debris from the Premises, upon request by Landlord or reimburse Landlord for the cost of removal. Notwithstanding the above, Landlord shall not be responsible for any improvements to the extent not covered by insurance proceeds.

11.3 Tenant's Right of Termination: If in the opinion of an independent architect selected by Tenant and approved by Landlord (such approval not to be unreasonably withheld or delayed), the damage caused by an Occurrence is so extensive that it is not reasonably likely that the Premises can be restored by Landlord within one hundred eighty (180) days after the Occurrence, then Tenant shall have the option to terminate this Lease upon written notice to Landlord within sixty (60) days after the Occurrence, whereupon this Lease shall cease and terminate as of the last date on which Tenant is open for business from the Premises, not earlier than the date of the Occurrence and not later than sixty (60) days after the date of the Occurrence. If, as a result of an Occurrence the Premises are made partially or wholly untenantable and, if neither Landlord nor Tenant has elected to terminate the Lease as above provided, and if Landlord fails within one hundred eighty (180) days after the

Occurrence to eliminate substantial interference with Tenant's use of the Premises and is not diligently proceeding to perform such restoration, Tenant may perform such restoration, and Tenant shall be entitled to recover from Landlord the Tenant's reasonable costs in performing such restoration.

11.4 Landlord Liability: If Tenant remains open for business during restoration, Landlord agrees to use reasonable efforts in its restoration work to minimize the interference with Tenant's operation of its business. No damages, compensation or claim shall be payable by Landlord by reason of any delay in completing repairs caused by adjustment of insurance claims, governmental requirements or Force Majeure defined in Section 19.7, nor by reason of inconvenience, loss of business or annoyance arising from any repair or restoration of any portion of the Premises. Further, if the Occurrence is not covered by the insurance required to be maintained pursuant to this Lease, and if the cost of restoration is estimated to exceed \$10,000.00, Landlord shall have no obligation to restore the Premises, but may instead terminate this Lease by notice given to Tenant within sixty (60) days from the date of the Occurrence; provided, however, that Tenant may negate Landlord's election to terminate hereunder by giving Landlord written notice within thirty (30) days after Landlord's notice, that Tenant elects to complete the restoration at its expense, and if Tenant so elects, Tenant will with reasonable diligence complete the work of restoration.

ARTICLE 12 - SURRENDER OF PREMISES

12.1 Termination: The Lease shall renew in accordance with the provisions set forth in Section 1.2 above unless either Landlord or Tenant provide notice to terminate this Lease in accordance with the Notice provisions set forth in Section 1.2. Tenant shall permit Landlord or Landlord's agents to enter upon the Premises at reasonable times and upon reasonable notice, for the purpose of inspecting or showing the Premises to prospective tenants or purchasers.

12.2 Surrender: On the last day of the Term, Tenant shall peaceably and quietly surrender the Premises broom clean and in the same condition as the Premises were in upon delivery of possession, excepting only:

- (a) reasonable wear and tear;
- (b) damage by unavoidable casualty;
- (c) obligations of Landlord assumed in this Lease; and
- (d) Alterations or additions to the Buildings which Landlord has approved pursuant to this Lease unless Landlord's approval in the first instance was conditioned upon Tenant's agreement to remove such alterations or additions at the end of the Term.

Unless otherwise agreed by Landlord in writing, Tenant shall remove all of its personal property, and other furniture, furnishings and trade fixtures and equipment on or before the last day of the Term, and shall surrender all keys for the Premises to Landlord at the place then fixed for the payment of Rent and shall inform Landlord of all combinations on locks, safes, and vaults, if any, on the Premises. Tenant's obligations to observe or perform this covenant shall survive the expiration or other termination of the Term.

12.3 Holding Over Without Consent: In the event of a holding over by Tenant after expiration or termination of this Lease without the consent in writing of Landlord, Tenant shall be deemed a tenant at sufferance and shall pay rent for such occupancy at the rate of Five Thousand Dollars (\$5,000) per month for the Premises, plus all Additional Rent and attorney's fees and expenses incurred by Landlord in enforcing its rights hereunder, plus any other damages occasioned by such holding over, and shall indemnify, defend and hold Landlord harmless from any liability, loss, costs, claims, actions, causes of action, costs and expenses, including reasonable attorneys' fees, arising out of such holding over.

12.4 Holding Over With Consent: Except as otherwise agreed, in the event Tenant remains in possession of the Premises after the expiration of this Lease with the consent of Landlord and without the execution of a new

lease, Tenant shall be deemed to be occupying said Premises as a tenant on a month-to-month basis, subject to all of the conditions, provisions and obligations of this Lease insofar as the same are applicable to a month-to-month tenancy until the termination of such tenancy.

ARTICLE 13 - MORTGAGE AND TRANSFER; ESTOPPEL CERTIFICATES

13.1 **Landlord Transfers; Subordination and Attornment:** Landlord shall have the right to transfer, mortgage, pledge or otherwise encumber, assign and convey, in whole or in part, the Premises, the Buildings, the Land, this Lease, and all or any part of the rights now or thereafter existing and all Rent payable to Landlord under the provisions hereof. Nothing herein contained shall limit or restrict any such rights. The rights and interest of Tenant under this Lease shall be subject and subordinate to any mortgages or trust deeds that are now or hereafter may be placed upon the Premises (or upon the Premises and other property), and to any and all advances to be made thereunder, and to the interest thereon and other obligations arising thereunder, and all renewals, replacements, extensions and modifications thereof, in the event that any of the mortgagees or trustees named in any of said mortgages or trust deeds or their successors and assigns shall elect to subject and subordinate the rights and interest of Tenant under this Lease to the lien of its mortgage or trust deed, but only if the mortgagee or secured party agrees in writing not to disturb Tenant's use and enjoyment of the Premises so long as an Event of Default does not exist hereunder; provided, that any of the mortgagees or trustees or their successors and assigns thereto may elect to give the rights and interest of Tenant under this Lease priority over the lien of its mortgage or trust deed. In the event of either such election and upon notification by any of such mortgagees or trustees or their successors and assigns to Tenant to that effect, the rights and interest of Tenant under this Lease shall be deemed to be subordinate to, or to have priority over, as the case may be, the lien of said mortgage or trust deed, notwithstanding whether this Lease is dated prior to or subsequent to the date of said mortgage or trust deed. Tenant shall execute and deliver whatever instruments may be required for such purposes, in the form reasonably requested by Landlord or the Landlord's lender, and in the event Tenant fails so to do within ten (10) days after demand in writing, Tenant does hereby make, constitute and irrevocably appoint Landlord as its attorney in fact and in its name, place and stead so to do. Such instruments shall include, but not be limited to, an agreement by Tenant, if so requested by Landlord or Landlord's lender, that Tenant shall attorn to the mortgagee, deed of trust trustee, or purchaser at any sale in foreclosure, and recognize the mortgagee, deed of trust trustee, or purchaser as the Landlord hereunder for the unexpired Term of this Lease.

13.2 **Tenant Statement:** Upon Landlord's written request, Tenant shall execute, acknowledge and deliver to Landlord a written statement certifying to Landlord or other parties designated by Landlord: (i) that none of the terms or provisions of this Lease have been changed (or if they have been changed, stating how they have been changed); (ii) that this Lease has not been canceled or terminated, (iii) the last date of payment of the Base Rent and other charges and the time period covered by such payment; (iv) that to the best of Tenant's knowledge, Landlord is not in default under this Lease (or, if Landlord is claimed to be in default, stating why); and (v) such other matters as may be reasonably required by Landlord or the holder of a mortgage, deed of trust or lien to which the Premises is or becomes subject. Tenant shall deliver such statement to Landlord within ten (10) days after Landlord's request. Any such statement by Tenant may be given by Landlord to any prospective purchaser or encumbrancer of the Premises. Such purchaser or encumbrancer may rely conclusively upon such statement as true and correct. If Tenant does not deliver such statement to Landlord within such ten (10) day period, Landlord, and any prospective purchaser or encumbrancer, may conclusively presume and rely upon the truth of the statements which Tenant was requested to make but to which request Tenant did not respond.

ARTICLE 14 - EMINENT DOMAIN

14.1 **Termination of Lease:** In the event of a Taking of all or any material part of the Premises that renders any remaining Premises unsuitable for Tenant's intended purposes (as reasonably determined by Landlord and Tenant), Tenant will so notify Landlord within thirty (30) days after the Taking and this Lease will terminate as of the date the Condemning Authority takes possession of the portion of the Premises taken or one hundred eighty (180) days after Tenant's notice, whichever is earlier. Tenant will pay Rent to the date of termination. If a Taking

reduces the value of the Premises, then Landlord may, at Landlord's option, by notifying Tenant within thirty (30) days after the date the Condemning Authority takes possession of the portion of the Premises taken, terminate this Lease effective on the date one hundred eighty (180) days after the date of Landlord's Notice.

14.2 Landlord's Repair Obligations: If this Lease does not terminate with respect to the entire Premises under Section 11.1 and the Taking includes a portion of the Premises, this Lease automatically terminates as to the portion of the Premises taken as of the date the Condemning Authority takes possession of the portion taken and Landlord will, at its sole cost and expense, restore the remaining portion of the Premises to a complete architectural unit with all commercially reasonable diligence and speed and will reduce the Base Rent for the period after the date the Condemning Authority takes possession of the portion of the Premises taken to a sum equal to the product of the Base Rent provided for in this Lease multiplied by a fraction, the numerator of which is the Rentable Square Footage of the Premises after the Taking and after Landlord restores the Premises to a complete architectural unit, and the denominator of which is the Rentable Square Footage of the Premises prior to the Taking. Landlord will also equitably adjust Tenant's share of real estate taxes and assessments for the same period to account for the reduction in the Rentable Square Footage of the Premises resulting from the Taking. Tenant's obligation to pay Base Rent and any other amounts due under this Lease will abate on a proportionate basis with respect to that portion of the Premises remaining after the Taking that Tenant is unable to use during Landlord's restoration for the period of time that Tenant is unable to use such portion of the Premises.

14.3 Tenant's Participation: Landlord is entitled to receive and keep all damages, awards or payments resulting from or paid on account of a Taking. Accordingly, Tenant waives and assigns to Landlord any interest of Tenant in any such damages, awards or payments. Tenant may prove in any condemnation proceedings and may receive any separate award for damages to or condemnation of Tenant's movable trade fixtures and equipment and for moving expenses; provided however, that Tenant has no right to receive any award for its interest in this Lease or for loss of leasehold.

14.4 Exclusive Taking Remedy: The provisions of this Article are Tenant's sole and exclusive rights and remedies in the event of a Taking. To the extent permitted by applicable law, Tenant waives the benefits of any law that provides Tenant any abatement or termination rights or any right to receive any payment or award (by virtue of a Taking) not specifically described in this Article.

14.5 Definitions: For purposes of this Article, the following definitions shall apply:

"Condemning Authority" means any person or entity with a statutory or other power of eminent domain.

"Taking" means the exercise by a Condemning Authority of its power of eminent domain on all or any part of the Premises, either by accepting a deed in lieu of condemnation or by any other manner.

ARTICLE 15 - MAINTENANCE AND REPAIR

15.1 Tenant's Maintenance and Repair: Except as otherwise set forth herein, Tenant shall be responsible for all maintenance, repairs and replacements to the Premises of whatsoever kind or nature during the Term, including without limitation any and all necessary repairs and replacements to the sprinkler system (if applicable) and all other personal property (tables, chairs, bar and kitchen equipment) and fixtures in good order and repair. Tenant shall also make all repairs to and replacements of the windows, plate glass (if any), or doors. Tenant shall take good care of the Premises, personal property and fixtures, and keep the same in good condition and repair and free from filth, overloading, danger of fire or any pest or nuisance, and repair any damage or breakage done by Tenant or Tenant's agents, employees, guests, customers or invitees, including without limitation damage done to the Premises by Tenant's equipment or installations. Tenant shall keep the exterior of the Premises free of trash and debris of any nature. All maintenance, repairs and replacement required to be performed by Tenant hereunder shall utilize materials at least equal to the quality of the materials originally constructed thereon or such substitutes as will in all respects be equal to such materials in quality, appearance and durability, and shall be performed as

required. In the event Tenant fails to maintain the Premises as provided for herein, and if such failure continues for a period of thirty (30) days after notice to Tenant, Landlord shall have the right, but not the obligation, to perform such maintenance as is required of Tenant, in which event Tenant shall promptly reimburse Landlord for its costs in providing such maintenance or repairs together with a ten percent (10%) charge for Landlord's overhead. Landlord and Tenant may execute a written property maintenance agreement whereby Tenant shall compensate Landlord for the performance of all or a portion of Tenant's maintenance obligations required herein.

15.2 Landlord's Maintenance and Repair: Landlord shall furnish and pay for the upkeep, maintenance, repair, replacement and periodic servicing of the heating, ventilation and air conditioning systems and plumbing systems servicing the Premises, and all exterior maintenance of the Premises, provided, however, that Tenant shall be responsible for all such costs and expenses for such upkeep, maintenance, repair and replacement to the extent of Tenant's negligent, reckless or willful misconduct.

ARTICLE 16 - ALTERATIONS AND ADDITIONS, MECHANIC'S LIENS

16.1 Alterations and Additions: Tenant shall not make any alterations, improvements, or additions to the Premises without the prior written consent and approval by Landlord. Landlord shall review and decide on such approvals within a reasonable period of time. Alterations, improvements or additions so made upon the Premises, except moveable furniture, equipment and trade fixtures placed in the Premises at the expense of Tenant, shall be and become the property of Landlord and shall remain upon and be surrendered with the Premises as a part thereof at the termination of this Lease, without disturbance, molestation, injury or damage, unless Landlord elects to require Tenant to remove such alterations or improvements from the Premises as provided in Section 12.2 hereof. In the event damage to the Premises or the Buildings shall be caused by moving said furniture and equipment in or out of the Premises, said damage shall be promptly repaired at the cost of Tenant. Notwithstanding the foregoing, Landlord agrees that Tenant may install initial improvements to the Premises at Tenant's own expense, including, without limitation, necessary electric hook-ups, ceiling tile, and wall and floor coverings, which initial plans shall be approved and consented to by Landlord prior to commencing such initial work.

16.2 Mechanic's Liens: Tenant shall not cause nor permit any mechanic's liens or other liens to be placed upon the Premises and in case of the filing of any such lien or claim therefor, Tenant shall promptly discharge same; provided, however, that Tenant shall have the right to contest the validity or amount of any such lien upon its prior posting of security with Landlord, which security, in Landlord's sole reasonable judgment, must be adequate to pay and discharge any such lien in full plus Landlord's reasonable estimate of its legal fees. Tenant agrees to pay all legal fees and other costs incurred by Landlord because of any mechanic's or other liens attributable to Tenant being placed upon the Premises. Landlord shall have the right to monitor all of Tenant's work with respect to the Premises to ensure that no mechanic's liens or other liens are placed upon the Premises.

ARTICLE 17 - INSURANCE

17.1 Public Liability, Property Damage Insurance: Tenant shall maintain in effect at all times during the Term of the Lease a "Commercial General Liability Insurance" policy, providing coverage on a "occurrence" rather than on a "claims made" basis, which policy shall include, but not be limited to, coverage for bodily injury, property damage, personal injury, contractual liability (applying to this Lease), independent contractors, and products and completed operations liability, or an equivalent form, so long as such equivalent form affords coverage which is at least as broad. Such policy shall name Landlord and any mortgagee of the Premises an "additional insureds" thereunder. Tenant shall maintain at all times during the Term a total combined liability policy limit of at least Two Million and no/Dollars (\$2,000,000.00) applying to the liability for bodily injury, personal injury and property damage, which total limit may be satisfied by the limit afforded under its commercial general liability policy or equivalent policy, or by such policy in combination with an umbrella policy, provided that the umbrella policy provides coverage at least as broad as that afforded by the underlying commercial general liability policy or equivalent policy, and provided further that Landlord is included as an additional insured thereunder. Such minimum coverage may be periodically increased by Landlord by written notice to Tenant, so that such coverage

shall at all times be consistent with the limits of liability generally carried with respect to similar properties in the Eagle River, Wisconsin area.

17.2 All Risk Insurance: Landlord shall, throughout the Term of this Lease, or any extension or renewal thereof, maintain insurance for the maintenance of fire and extended coverage and other perils (commonly known as "All Risk") on the Buildings and other improvements located on the Premises, insuring the Buildings and such other improvements for the full insurable replacement value thereof, with such deductibles not higher than Ten Thousand Dollars and no/100 (\$10,000.00). Landlord may elect to include the Premises under a blanket policy of All Risk insurance covering the Premises and other real property owned or leased by Landlord.

17.3 Insurance Requirements: All such insurance required to be maintained by Tenant herein shall:

- (a) Be written by an insurance company reasonably satisfactory to Landlord;
- (b) Name Landlord, and any mortgagee or deed of trust trustee designated by Landlord, as additional insureds and loss payees, as applicable; and
- (c) Provide for thirty (30) days prior written notice to Landlord of cancellation, restriction or reduction of coverage.

Tenant will deliver to Landlord copies of all policies evidencing the insurance required hereunder, and shall promptly furnish to Landlord, upon request, copies of all renewal notices and all receipts of paid premiums received by it. At least thirty (30) days prior to the expiration date of a required policy, Tenant shall deliver to Landlord a copy of a renewal policy in form reasonably satisfactory to Landlord.

The proceeds of said loss or damage insurance shall be payable to Landlord. It is understood and agreed that any payments made by Tenant or its insurance carrier for loss or damage of any kind whatsoever to the Buildings and other improvements are not made as accelerated rental payments or adjustments of rental, but are made solely as indemnity to Landlord for loss or damage of the Buildings and other improvements.

17.4 Indemnification of Landlord: Tenant shall indemnify and defend Landlord, its employees and agents and save it harmless from and against any and all loss (including loss of rents payable by Tenant) and against all claims, actions, damages, liability and expenses in connection with loss of life, bodily and personal injury or damage arising from any occurrence in, upon or at the Premises or any part thereof, or to the extent occasioned by any act or omission of Tenant, its agents, contractors, employees, servants, licensees, concessionaires or invitees or by anyone on the Premises. Tenant agrees, at all times, to indemnify and hold Landlord harmless from and against all actions, claims, demands, costs, damages or expenses of any kind which may be brought or made against the Landlord by reason of Tenant's occupancy of the Premises or its negligent performance of or failure to perform any of its obligations under this Lease. In case Landlord shall, without fault on its part, be made a party to any litigation commenced by or against Tenant, then Tenant shall indemnify, defend and hold Landlord harmless and shall pay all costs, expenses, and reasonable attorneys' fees incurred or paid by the Landlord in connection with such litigation. Tenant's indemnification obligation hereunder shall not extend to the gross negligence or intentional misconduct of Landlord, its agents, contractors, employees or servants.

17.5 Environmental Indemnification:

- (a) From and after the Commencement Date and thereafter during the entire term of this Lease, Tenant in the operation of its business on the Premises shall comply with all applicable federal, state and local environmental laws and all amendments thereto and regulations implementing the same, together with all common law requirements, which relate to discharge, emissions, waste, nuisance or the environment as the same shall be in existence during the term hereof. Without limiting the generality of the foregoing, Tenant shall specifically comply with all applicable laws relating to the handling, storage or disposal of any hazardous material or toxic substance

("Hazardous Materials") arising in connection with the use and occupancy of the Premises by Tenant or any occupant of the Premises during the term of this Lease. All of the foregoing laws, regulations and requirements are hereinafter referred to as "Environmental Laws." Tenant shall obtain all environmental licenses, permits, approvals, authorizations, exemptions, classifications, certificates and registrations (collectively, "Permits") and make all applicable filings required of Tenant to operate at the Premises. The Permits and required filings shall be made available for inspection and copying by Landlord at the Premises upon reasonable notice and during business hours. Tenant agrees to hold harmless and indemnify Landlord from any liability, claim or injury based upon an actual or alleged violation of Environmental Laws arising in connection with the occupancy of the Premises by Tenant or any occupant of the Premises or the operations of Tenant's business on the Premises during the term of this Lease.

The foregoing indemnification shall survive the expiration of the term of this Lease.

17.6 Waiver of Subrogation: Anything in this Lease to the contrary notwithstanding, it is agreed that each party (the "Releasing Party") hereby releases the other party (the "Released Party") from liability which the Released Party would, but for this Section, have had to the Releasing Party during the term of this Lease resulting from the occurrence of any accident or casualty:

- (a) which is normally covered by fire and extended coverage policy (irrespective of whether such coverage is being carried by the Releasing Party); or
- (b) which is covered by any other insurance being carried by the Releasing Party at the time of such occurrence.

If any insurance policy required by this Lease cannot be obtained without a waiver of subrogation endorsement, or is obtainable only by the payment of an additional premium charge above that charged by insurance companies issuing policies without waiver of subrogation, the party undertaking to obtain the insurance shall notify the other party of this fact. The other party shall then have a period of thirty (30) days after notice either to place the insurance with a company which is reasonably satisfactory to the other party and that will carry the insurance with a waiver of subrogation, or to agree to pay the additional premium if such a policy is obtainable at additional cost. If the insurance cannot be obtained or the party in whose favor a waiver of subrogation is desired refuses to pay the additional premium charged, the other party is relieved of the obligation to obtain a waiver of subrogation rights with respect to the particular insurance involved.

ARTICLE 18 - DEFAULT AND REMEDIES

18.1 Landlord's Right to Cure: Without such action constituting a waiver of the default, Landlord may, but shall not be obligated to, upon at least fifteen (15) days prior written notice to Tenant (except in case of emergency involving imminent threat to the Premises or Landlord's interest therein, in which event Landlord may act after any notice which may be practicable, or with no notice if necessary), cure any default by Tenant, including, but not limited to, Tenant's failure to obtain insurance, make repairs, or satisfy lien claims; and whenever Landlord so elects, all costs and expenses paid by Landlord in curing such default, including reasonable attorneys' fees, shall be so much Additional Rent due on demand, together with interest at the Default Rate, from the date of the advance to the date of repayment by Tenant to Landlord.

18.2 Events of Default: The following shall constitute Events of Default hereunder:

- (a) Tenant shall at any time fail to pay any item of Rent and such failure continues for a period of five (5) days after notice of such failure; or
- (b) Tenant shall fail to keep, perform or observe any other covenant, agreement, condition or undertaking hereunder and shall fail to remedy such default within fifteen (15) days after written

notice thereof has been mailed by Landlord to Tenant; or if such default is one which cannot reasonably be cured within fifteen (15) days, Tenant fails to commence curing such default within fifteen (15) days and/or fails diligently to pursue such cure to completion; or

- (c) Tenant files a voluntary petition in bankruptcy, is subject to an involuntary petition in bankruptcy, is adjudicated bankrupt or insolvent, files or has filed against it a petition seeking any reorganization, arrangement or composition, under any present or future statute, law or regulation, and in the case of any involuntary proceeding, such proceeding is not dismissed with sixty (60) days after its filing; or
- (d) Tenant shall abandon the Premises for a period in excess of forty-eight (48) hours.

18.3 Remedies Upon an Event of Default: Upon any Event of Default as described above, Landlord may, at its option:

- (a) By summary proceedings or by any other appropriate legal action or proceedings, terminate the term of this Lease and enter into the Premises or any part thereof and expel Tenant or any person or persons occupying the Premises, and so to repossess and enjoy the Premises as in Landlord's former estate. Landlord, upon such repossession of the Premises, shall be entitled to recover, as liquidated damages and not as a penalty, a sum of money equal to the value of the Rent provided herein to be paid by Tenant to Landlord for the remainder of the Term (whether the remainder of the Base Term or any Renewal Period), less the fair rental value of the Premises for such period, reduced to present value at the discount rate then in effect at the Federal Reserve Bank for the district where the Premises are located; or
- (b) Re-enter and take possession of the Premises, by summary proceedings or by any other appropriate legal action or proceedings, without such re-entry working a forfeiture of the Lease and the rentals due hereunder, in which event Landlord may, but shall be under no obligation so to do, relet all or any part of the Premises for such rent and upon such terms as shall be satisfactory to Landlord (including the right to relet the Premises for a term greater or lesser than that remaining under the Term, and the right to relet the Premises as a part of a larger area, and the right to change the character or use made of the Premises). Landlord may, for the purposes of such reletting, decorate or make any repairs, changes, alterations and additions in or to the Premises that it may deem necessary or convenient. If Landlord does not relet the Premises, Tenant shall monthly pay to Landlord, on demand, as liquidated damages and not as a penalty, a sum equal to the amount of the Rent, and other sums provided herein to be paid by Tenant for the remainder of the Term. If the Premises are relet and a sufficient sum shall not be realized from such reletting after paying all of the expenses of such decoration, repairs, changes, alterations and additions, the expenses of such reletting and the collection of the rent accruing therefrom to satisfy the total Rent herein provided to be paid for the remainder of the Term, Tenant shall pay to Landlord, on demand, any deficiency, and Tenant agrees that Landlord may, from time to time, file suit to recover any sums falling due under the terms of this Section.

No re-entry as above provided shall be deemed an acceptance of the surrender of the Premises by Landlord or a forfeiture of the Lease and the rentals due hereunder unless the Landlord notifies Tenant in writing of its intention to terminate the Lease.

18.4 Remedies Cumulative: The rights and remedies herein contained and reserved to Landlord shall not be considered as exclusive of any other right or remedy of Landlord, but shall be construed as cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute. Landlord shall be entitled to recover from Tenant its reasonable attorneys' fees incurred by enforcing its rights hereunder.

18.5 No Waiver: No waiver by Landlord of a breach or default by Tenant under the terms and conditions of this Lease shall be construed to be a waiver of any subsequent breach or default nor of any other term or condition of this Lease, and the failure of Landlord to assert any breach or to declare a default by Tenant shall not be construed to constitute a waiver thereof so long as such breach or default continues unremedied.

18.6 No Reinstatement: No receipt of money by Landlord from Tenant after the expiration or termination of this Lease, or after the service of any notice or after the commencement of any suit, or after final judgment for possession of the Premises, shall reinstate, continue or extend the Term of this Lease nor affect any such notice, demand or suit. The acceptance of part payment of any Rent due shall in no event shall be considered to satisfy Tenant's obligation with respect to the balance of the Rent due, whether by way of accord and satisfaction, or otherwise.

ARTICLE 19 - MISCELLANEOUS

19.1 Short Form: Landlord and Tenant agree that neither shall record this Lease; provided, however, that, if both parties agree, the parties hereto each will contemporaneously with the execution of this Lease execute, acknowledge and deliver a memorandum of lease, in recordable form, specifying the parties hereto, the Premises, and the Term hereof. Recording and like charges shall be paid for by Tenant.

19.2 Legal Expenses: If either party commences an action against the other party arising out of or in connection with this Lease, the prevailing party shall be entitled to have and recover from the losing party a reasonable attorneys' fees and costs of suit.

19.3 Guaranty: No Guaranty is required hereunder.

19.4 Landlord: The term "Landlord" as used in this Lease, so far as covenants or obligations on the part of Landlord are concerned, shall be limited to mean and include only the owner or owners at the time in question of the fee of the Premises, and in the event of any transfer or transfers of the title to such fee, Landlord herein named (and in case of any subsequent transfers or conveyances, the then-grantor) shall be automatically freed and relieved, from and after the date of such transfer or conveyance, of all liability as respects the performance of any covenants or obligations on the part of Landlord contained in this Lease thereafter (but not theretofore) to be performed; provided that any funds in the hands of such Landlord or the then-grantor at the time of such transfer, in which Tenant has an interest, shall be turned over to the grantee, and any amount then due and payable to Tenant by Landlord or the then-grantor under any provision of this Lease, shall be paid to Tenant.

19.5 Landlord's Liability: Tenant shall look solely to the then interest of Landlord in the Premises, or of any successor in interest to Landlord, as owner of the Premises, and to the other assets of the Landlord, for the satisfaction of any remedy of Tenant for failure to perform any of Landlord's obligations under this Lease, express or implied, or under any law. No disclosed or undisclosed principal of Landlord (or officer, director, stockholder, partner or agent of Landlord or of any such principal), nor any successor of any of them, shall have any personal liability for any such failure under this Lease or otherwise.

19.6 Notices: Except as otherwise herein provided, whenever by the terms of this Lease notice shall or may be given either to Landlord or to Tenant, such notice shall be in writing and shall be deemed to have been properly served if hand-delivered (and a signed receipt therefor obtained) or sent by overnight or by certified mail, return receipt requested, postage prepaid, to the addresses specified in or pursuant to Section 1.11 in the case of Notices to Landlord and Section 1.12 in the case of Notices to Tenant. The date of such hand-delivery or the date of receipt or attempted delivery of certified mail shall be deemed the date of service.

19.7 Force Majeure: The time within which any of the parties hereto shall be required to perform any act or acts under this Lease (except Tenant's payment of Rent) shall be extended to the extent that the performance of such act or acts shall be delayed by acts of God, fire, windstorm, flood, explosion, collapse of structures, riot, war,

labor disputes, delays or restrictions by governmental bodies, inability to obtain or use necessary materials, or any cause beyond the reasonable control of such party ("Force Majeure"); provided, however, that the party entitled to such extension hereunder shall give prompt notice to the other party of the occurrence causing the delay.

19.8 Persons Bound: The agreements, covenants and conditions of this Lease shall be binding upon and inure to the benefit of the heirs, legal representatives, successors and assigns of each of the parties hereto, except that no assignment, encumbrance or subletting by Tenant, unless permitted by the provisions of this Lease, shall vest any right in the assignee, encumbrance or subtenant of Tenant. If there be more than one Tenant herein named, the provisions of this Lease shall be applicable to and binding upon such Tenants jointly and severally, as well as their heirs, legal representatives, successors and assigns.

19.9 Partial Invalidity: If any terms, covenant, condition or provision of this Lease or the application thereof to any person or circumstance shall, to any extent be invalid, unenforceable or violate a party's legal rights, then such term, covenant, condition or provision shall be deemed to be null and void and unenforceable; however, all other provisions of this Lease, or the application of such term or provision to persons or circumstances other than those to which are held invalid, unenforceable or violative of legal rights, shall not be affected thereby, and each and every other term, condition, covenant and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

19.10 Captions: The headings and captions used throughout this Lease are for convenience and reference only and shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction or meaning of any provisions in this Lease. The words "Landlord" and "Tenant" wherever used in this Lease shall be construed to mean plural where necessary, and the necessary grammatical changes required to make the provisions hereof apply either to corporation, partnerships, or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

19.11 Relationship of the Parties: Nothing contained herein shall be deemed or construed by the parties hereto nor by any third party as creating the relationship of principal and agent or of partnership or of joint venturers between the parties hereto, it being understood and agreed that neither the method of computation of rent nor any other provision contained herein nor any acts of the parties hereto shall be deemed to create any relationship between the parties hereto other than the relationship of landlord and tenant.

19.12 Applicable Law: This Lease, its interpretation and enforcement shall be governed by the laws of the State of Wisconsin.

19.13 Entire Agreement: This Lease contains the entire agreement between the parties and no modification of this Lease shall be binding upon the parties unless evidenced by an agreement in writing signed by the Landlord and the Tenant after the date hereof. If there be more than one Tenant named herein, the provision of this Lease shall be applicable to and binding upon such tenants jointly and severally.

IN WITNESS WHEREOF, the parties have signed counterparts hereof as of the date and year hereinabove set forth.

LANDLORD:

TENANT:

Wild Eagle Lodge Condominium Association Inc.

By: _____
Name: _____
Title: President

Dean Vossekul